

ADMINISTRATIVE - INTERNAL USE ONLY

DIR-9857

10 December 1973

MEMORANDUM FOR THE RECORD

SUBJECT: Response to Questions for the DCI
from Midcareer Course No. 38

1. Mr. Colby met with the members of Midcareer Course #38 on Friday afternoon, 7 December, for almost one hour. He spoke to us informally for about twenty minutes and then spent the remainder of the time responding to the prepared list of questions he had been given in advance, and he also took five questions from the floor. The prepared list is attached.

2. A summary of Mr. Colby's informal, introductory remarks follows:

a. Mr. Colby feels that the substance of intelligence should be our prime consideration. He mentioned that he sees one of his most important functions to be to draw the customer, collector, and producer together in such a way as to insure that the customer receives the type of intelligence that he needs.

b. As a corollary to the above, Mr. Colby feels that it is a mistake to divide the problem of achieving proper substantive content into collection, resources, and production--it is integral.

c. Mr. Colby suggested that Key Intelligence Questions, substantive questions directed at consumers to elicit their reactions, are an attempt to move toward substantive solutions. KIQ's will not be formulated for everything that lies within the intelligence purview.

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d. In addition to guidance for coverage, Mr. Colby looks upon the KIQ as a mechanism for three kinds of evaluations: As a basis for our annual report, i.e., how well did we do in answering the question?; how much was contributed by the various collection and other programs to answering the question?; and, finally, how worthwhile was it to answer the question, i.e., did the cost justify the effort?

e. Use of the KIQ as an evaluation mechanism led Mr. Colby to the subject of the "post audit." He told us that he expects the IC Staff to help develop some evaluation systems.

f. Mr. Colby then spoke briefly of the NIO system. He stated that the NIO's are charged by him to be his experts on their particular areas or subjects. In supporting the NIO's Mr. Colby will look to the various Directorates and to the other agencies to contribute what they can.

g. Mr. Colby's introductory remarks ended with a look at the Agency in the future. He offered the opinion that in coming years the Agency is going to have to make decisions of a more far-reaching nature, such as the elimination, retention, or even expansion of fairly sizable projects--salami-type cuts will be a thing of the past. He stated that the answer to the "horror charts" is a selection process.

3. The prepared list of questions grouped them under six general headings. Mr. Colby chose to go right down the list, answering them briefly in order. He responded to almost all of the questions, combining answers to some.

4. The following is a summary of Mr. Colby's responses to the prepared questions (see attachment):

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a. Mr. Colby acknowledged that we do have problems achieving cooperation across Directorate lines, but he feels that we are improving. He stated that we will continue our efforts to develop the interrelationship where we need to.

b. Mr. Colby said, regarding the four-Directorate system, that it is certainly not immutable, but that it seems to him to be basically sensible at the moment.

c. A question regarding how we go about getting inter-Agency cooperation prompted Mr. Colby to say that he expects the NIO's to be helpful in this regard. He expects that the NIO's will establish working relationships with people in the various agencies below the level of top leadership. Mr. Colby feels that the working level people will respond favorably to this kind of approach.

d. The "new intelligence officer," one who is skilled in a variety of techniques and disciplines, will be developed through more training. Mr. Colby believes that young officers will seek out the training, particularly if incentives are offered. He also pointed out that courses aimed at this have begun to be offered.

e. Mr. Colby said he could not respond to a question regarding his reactions to the recommendations of the Personnel Approaches Study Group because he had not yet had time to digest the recommendations.

f. A question for Mr. Colby regarding his criteria for the selection of managers brought a response that indicates that he regards leadership as much more important. He defined leadership as the ability to get people to respond. Regarding management, he said we must all learn something about how to manage--that our thrust should be the development of people deeply capable in their specialty and we must then give them training in how to manage.

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g. Net assessments, now transferred to the Secretary of Defense, seem to Mr. Colby to be assigned to the proper agency. He pointed out that the Agency still has an important input to them in defining the threat.

h. Mr. Colby felt that the problem of operating an "American intelligence service" is difficult and is going to continue to be so. He said that we must adjust to some of the American imperatives, e.g., we must abolish plausible denial. As he says, we're not going to lie--we may say "no comment," or use some other device, but we will not lie. He mentioned that we would not deny a cover story to a Congressman if it were penetrated, although we might politely refuse to answer.

i. There was a specific question regarding a recent Washington Star-News story which Mr. Colby said he was mouse-trapped into giving out. He explained that he had first answered what appeared to be an innocent question regarding our use of paid journalists with a denial. On checking, he discovered this was not true and he made a correction to the reporters who had asked him in the first place. He requested that they not pursue the matter any further, but one did, and the Star-News story and editorial resulted. The Agency is not answering any more questions on this subject.

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k. Regarding openness in an American intelligence service, Mr. Colby feels that we are likely to have a continuing problem with leaks to the press. We shall try to stop a leak before it becomes a leak, although Mr. Colby pointed out that newspapers have a right to publish whatever they can get. With all these difficulties in mind, Mr. Colby feels that we can run an intelligence operation more open than others in the world, but

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that still manages to keep the secrets it should keep.

1. Mr. Colby believes that OER is in the lead in the U.S. Government on economic intelligence matters. Treasury, he points out, is being brought more and more into the picture. As he says, if an economic question becomes important to the leaders to this country, the Agency is sure to be called upon to provide answers.

m. Mr. Colby emphasized that CIA is getting more and more into the economic collection business, and that an NIO for economic matters is to be named.

n. Regarding advantages secured by access to economic intelligence, Mr. Colby answered that our political and military allies are not necessarily our economic friends.

o. A question regarding how he proposes to motivate his officers to practice management-by-objective struck Mr. Colby as a particularly good one. He responded that he proposed to do this by keeping the system simple enough so that his office chiefs can quickly grasp hold of it, and so that they will not buck it to a staff. He reiterated, the system must be kept simple.

p. Mr. Colby stated that the appointment of a military man as Director of the Intelligence Community Staff was deliberate. He stated that the professional staffing was about 50% from the Agency and 50% from outside the Agency. The function, he said, is to draw together knowledgeable officers of all of the agencies. He stated this is bound to develop some adversary relationships in the fight for resources--which he felt is desirable.

5. Mr. Colby then took five questions from the floor, as follows:

- Q: What do you think about the acceptance of the NIO concept outside the Agency?
- A: We are beginning to bring in NIO's from the outside, e.g., Navy, State, etc. It will take perhaps six months to become accepted.
- Q: Do you detect any feeling on the part of the NSC that the NIO's are taking over some of its functions?
- A: The function of the NIO's is customer relations, and the NSC understands this.
- Q: Can you tell us about your relationships with Dr. Schlesinger, now that you are in some respects his boss?
- A: I am not Dr. Schlesinger's boss in any sense. He is a Cabinet member. He has Dr. Hall as his intelligence head. I get along very well with Dr. Schlesinger. It is a good thing for our understanding that he drafted the November 1971 memo regarding the intelligence community. I have suggested that Dr. Hall and I get together to review our combined resources.
- Q: How does the Agency get its guidance from the Administration regarding intelligence that is wanted?
- A: Dr. Kissinger holds meetings about every ten days attended by Dr. Schlesinger, Adm. Moorer, and Mr. Colby, at which he sets forth what his interests and requirements are. Based on these, I direct my analysts to produce certain papers. Parenthetically, we sometimes find that our evaluations differ from those of Dr. Kissinger's private contacts, and sometimes we are correct and the others are not, and vice versa.

Q: Do you ever deal privately with President Nixon, or do you deal with him through Dr. Kissinger?

A: I primarily deal with President Nixon through Dr. Kissinger. I can telephone President Nixon if there is something I think he should know immediately, but the President prefers to deal through Dr. Kissinger. The President does study option papers he receives, however.

6. Mr. Colby made a short, concluding statement to the effect that the Midcareer Course is useful primarily because we have been isolated from one another in the past. He stated that in the next ten years there will likely be a change in the direction of less isolation.



Course Chairman

STATINTL



Course Co-chairman

STATINTL

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Response to Questions for the DCI from Midcareer Course #38

FROM:

Midcareer Course
926 C/C

EXTENSION

2063

NO.

DATE

11 Dec 73

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

C/I&M

11 Dec

11 Dec

LCB

2.

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MCC - 926 C/C

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To 5 - CC to

C/PDS

C/FTD

C/DIT

C/LCC

SA/OT

JF.

13 Dec 73

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ANL